

ON-LINE NEGOTIATIONS WITH DYNAMIC PROFILING

ABSTRACT OF THE DISCLOSURE

5 An e-commerce mechanism tries to dynamically estimate or refine a
profile of a buyer and hence change their negotiation strategy in a dynamic and
an on-line manner. An e-commerce site can negotiate with a customer based
on his or her profile. The e-commerce site may sell one or more types of items
to various customers. These customers may be brokers, other intermediaries,
10 businesses or consumers. Similarly, the e-commerce site may be a broker, an
auctioneer, an intermediary, a seller, or even a manufacturer. In one specific
case of this invention, the existing data on various customers' past purchases,
buying behavior, demographics and other parameters is studied to arrive at
attributes which are then used to segment customers into various profiles. The
15 profiles depend not only on the demographic factors but also on factors like
the season, the time of day, the geographical area and the cultural upbringing.
When a new customer comes to the e-commerce site, the customer is assigned
to a pre-specified profile in an on-line manner. The e-commerce site then
negotiates with the customer according to the customer's present profile.
20 As the customer negotiates, the customer's profile is dynamically updated to
incorporate the customer's actions. Different profiles may yield different
negotiation strategies and also different results, i.e., value, price, points,
delivery dates, etc. Both the customer and the e-commerce site can negotiate
on the basis of each other's dynamic profiles and come to a mutually agreed
settlement.